

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 2131 - SB 2710

March 16, 2018

SUMMARY OF BILL: Prohibits the appropriation of certain state funds to a local government who sells, removes, relocates, or destroys certain memorials.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – To the extent a local government sells, removes, relocates, or destroys certain memorials, there will be a decrease in local revenue, and an equal corresponding decrease in state expenditures. The extent and timing of any such impact cannot reasonably be determined, but could range from \$2,000,000 to \$600,000,000 depending on the local entity impacted.

Assumptions:

- Pursuant to Tenn. Code Ann. § 4-1-412, no memorial regarding a historic conflict, historic entity, historic event, historic figure, or historic organization that is, or is located on, public property may be removed, renamed, relocated, altered, rededicated, or otherwise disturbed or altered, unless the public entity exercising control of the memorial petitions the Tennessee Historical Commission for a waiver.
- The proposed language would withhold all state appropriations from any local government who, upon denial of a waiver, sells, removes, relocates, or destroys a memorial in the fiscal year following the sale, removal, relocation, or destruction of the memorial.
- The extent of state appropriated funds which may be withheld will vary based on the local government and fiscal year; however “state appropriated funds” includes funds for: BEP education, economic development, libraries, reimbursements to local jails for housing state inmates, grants from state agencies for local government operations, aid from state departments for programs such as bridge and street maintenance or health departments, and any additional appropriations made by the legislature.
- Based on the Office of Research and Education Accountability’s BEP calculator for FY17-18, Etowah City, with a population of 3,490 based on the 2010 federal census, received approximately \$1,832,000 in state BEP funding, while Shelby County, with a population of 927,644, received approximately \$596,823,000 in state BEP funding.
- The extent and timing of any decrease in local government revenue and equal, corresponding decrease in state expenditures cannot reasonably be determined; however

it is reasonably estimated that it will range from \$2,000,000 for a smaller local government to \$600,000,000 for a larger local government.

- Subsequent secondary fiscal impacts to a local government, whose state appropriated funding is withheld, will occur; however, any such impact cannot reasonably be determined.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

/jrh